



Competitive Technology Solutions
for a Better Michigan

Michigan Internet & Telecommunications Alliance

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Chairman Mike Nofs &
Members of the Senate Energy & Technology Committee
State Capitol
Lansing, MI 48909

November 13, 2013

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Dear Chairman Nofs and Members of the Committee,

Thank you for the opportunity to review the S-1 Substitute to SB 636. This new language raises many questions and serious concerns that require us to continue our opposition to this bill. Specifically:

Meaningless Interconnection Agreements - all Interconnection Agreements have a "change of law" provision which would allow an ILEC to claim that they are no longer required to provide Interconnection, access to the central office in the exchange, or access to the last mile. Without some language that requires continued access to these critical elements of the ILEC network, competitors would have a meaningless Interconnection Agreement.

Elimination of Competition - without a requirement for the ILEC to interconnect its IP enabled network to competitors at reasonable rates, competitors will disappear from the marketplace. The result will be substantially higher prices for thousands of small and medium businesses throughout the state.

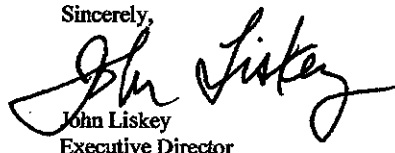
Stranded Investment - without a requirement for the ILEC to interconnect its IP enabled network, the millions of dollars of investment already made by the CLECs will be stranded investment that they will have no opportunity recoup. Such a financial catastrophe will cut the high-tech jobs our state so desperately needs.

Telecom Tax Increase - the language in section 310(16)(d) allows an ILEC to stop contributing to the statewide telecom tax fund raising the telecom tax on the customers of the competitors. This is an unfair shift of taxation. The tax should be eliminated not increased.

We continue to be available to attempt to provide solutions to these serious concerns. We understand the legislative process and the need to compromise. However, the proponents of the bill have refused to negotiate on these issues. And for that reason, we ask that the Committee not vote on this bill until these issues have been resolved.

Thank you for the opportunity to provide this input.

Sincerely,


John Liskey
Executive Director